

Congress: Halt flow of oil to reserve

From staff and wire reports
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WASHINGTON -- Wyoming's U.S. senators Tuesday voted to temporarily halt the shipment of thousands of barrels of oil a day into the government's emergency reserve. Rep. Barbara Cubin opposed a similar measure in the House.

U.S. Sens. Mike Enzi and John Barrasso, meanwhile, were unsuccessful on another energy vote Tuesday that would have encouraged the building of coal-to-diesel facilities and opened the Arctic National Wildlife Refuge to drilling, according to Enzi, who co-sponsored the measure.

In a direct challenge to President Bush, Democrats and Republicans joined forces with a message that shipments of oil to the government's energy reserve make no sense when oil is costing more than \$120 a barrel and could better be used to add supplies to a tight market and possibly lower prices.

'Sen. Barrasso was one of the leaders in the Senate with this issue, so he is very pleased that it was embraced by both sides of the aisle,' said Greg Keeley, Barrasso's communications director, adding that voters in Wyoming urged the senator to fight high energy prices.

'He made the move and he drove the position so hard because of the feedback he was getting from people in Wyoming,' Keeley said.

Until Bush signs the emergency reserve directive -- or Congress enacts it over a presidential veto -- the legislation has no force of law. But the message from the Senate and the House to the president Tuesday was a strong one.

In the Senate, the vote was 97-1 to suspend the shipments -- averaging about 70,000 barrels a day -- until the end of the year. The House vote was 385-25, with Cubin among the minority.

Barrasso, an early supporter of the push to curtail storage in the energy reserve, has said that the government should not be competing with American consumers at a time when oil prices are so high.

"We are buying the most expensive crude oil in the history of the world and storing it," added Sen. Byron Dorgan, D-N.D. "When American consumers are burning at the stake by high energy prices, the government ought not be carrying the wood."

Bush has been steadfast in continuing shipments of oil to the Strategic Petroleum Reserve, a system of underground salt domes on the Gulf Coast, arguing that the stockpile should be filled to its maximum capacity of 727 million barrels. It currently is 97 percent full at 701 million barrels, equal to two months of oil imports.

The reserve was created in the 1970s as a precaution against major interruptions of oil supplies.

Senators said the stockpile is big enough to meet any emergency.

Dorgan acknowledged that Tuesday's vote was "a small step forward" as Congress grapples with ways to respond to soaring fuel prices that have pushed gasoline prices to nearly \$4 a gallon after a winter of record heating bills.

It's uncertain how much effect -- if any -- putting 70,000 barrels a day of crude onto the U.S. market that uses more than 21 million barrels a day would have. Dorgan said it could send a signal and curb market speculation.

"It could have a chance of reducing the price a small amount," said Sen. Pete Domenici, R-N.M., who joined the chorus against continuing the shipments. "But make no bones about it, this is no big energy policy. This is one little thing we can do."

Earlier, the Senate rejected the broader Republican energy plan that called for opening the Alaska wildlife refuge and some offshore waters to oil development. Supporters of the measure couldn't get the needed 60 votes to overcome a Democratic-led filibuster threat.

In a statement after the vote, Enzi said the million gallons of oil a day that could be pumped from ANWR would help reduce the nation's dependence on foreign energy sources.

'One million barrels a day from the ANWR is kept off the market because it was vetoed by President Clinton more than 10 years ago,' Enzi said. 'That is 1 million barrels that we would not need to purchase from South American dictators or a million barrels from countries who are friendly to those who wish to destroy the United States.'

Senate Republican leader Mitch McConnell of Kentucky said more domestic oil production is needed to keep prices in check and to reduce U.S. dependence on oil imports. "We cannot repeal the law of supply and demand....We need to increase supply in order to lower gas prices," he said.

But opponents said areas such as ANWR and coastal waters that have been off-limits to drilling for 25 years ought to remain that out of bounds to oil companies. The GOP measure, defeated Tuesday by a vote of 56-42, would have allowed coastal states to get a waiver to the offshore drilling ban.

"We can't drill our way to lower prices," said Sen. Richard Durbin, D-III.

The president has given no indication that he will move to halt shipments to the oil reserve, short of a congressional directive.

"Our position hasn't changed," said White House press secretary Dana Perino earlier this week. She said the president believes the emergency reserve needs to be increased "in order to protect ourselves against oil shocks" and that the oil being put in -- a tenth of 1 percent of global production -- "would have a negligible impact on gas prices" if put into the market.

Democratic Sens. Barack Obama of Illinois and Hillary Rodham Clinton of New York, interrupting their presidential campaigns, voted to halt the oil reserve deliveries. Sen. John McCain, the presumptive GOP presidential nominee, was not present for the vote.